



Pacific Energy Partners, L. P.

California Energy Commission
Workshop on
California's Petroleum Infrastructure Needs

Status Update
Pier 400 – Crude Oil Marine
Terminal Project

Pacific Energy Partners, L.P.
Sacramento, CA
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Pier 400 Marine Terminal





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Pier 400 Marine Terminal

- New berth on Pier 400 with 81' of water depth
- Application for up to 4.0 million barrels of petroleum storage in the Pier 400 and Terminal Island areas
- Plan to permit the facility for up to 250,000 barrels per day of throughput of crude oil and intermediate refinery feedstock or about 25% of the Los Angeles area refinery input demand
- The project will include pipeline connections to local refineries and other Pacific Energy facilities
- \$150 to \$180 million investment (may increase based on environmental requirements and additional customer demands for storage)



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Why do this project? – Why in POLA?

- California & Alaskan crude oil production is declining
- The demand for crude oil in Los Angeles is increasing
- Most of the replacement oil will come from regions of the world a long way from California
- Larger ships will be required for bigger cargos
- Existing facilities in Los Angeles and Long Beach are inadequate to economically handle the volume necessary
- The Pier 400 was developed to accommodate deep draft tankers and the location is the most remote location from the populated areas of San Pedro and Wilmington



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Project Status

- NEPA & CEQA permitting process is well underway (POLA and Corps of Engineers are lead agencies)
- Project scoping meeting was held on July 8, 2004
- The draft EIR/EIS is expected to be issued around October 1, 2005
- Various meetings have been held with community groups
- Pacific plans several technical forums early this fall to address questions about the project
- Plan to complete NEPA & CEQA in late 2005 and expect final certification from the POLA and USACE in March 2006
- If project is approved as described above, operations would commence in July-September 2007 time frame



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Community Considerations

- Pacific has held many community outreach meetings to develop an appreciation for community concerns
- Significant effort will be undertaken to address various community issues
- Project will be built using union labor
- Pacific has agreed to remain neutral regarding potential union operations
- Pacific intends to support “green terminal” concepts and procedures



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Environmental Considerations

- Project is a “New Source Review” project and will offset 120% of air emissions generated at the dock
- Project will include shore-side pumping systems to reduce emissions
- Project will provide a “cold ironing” or AMP option
- Pacific is monitoring and considering potential implementation of various No Net Increase recommendations
- All construction but a short section of pipeline will be in POLA area – no construction impact on surrounding community areas
- The terminal will be a modern high-capacity efficient facility that will minimize vessel time in port
- Tank farms and pumping systems will be modern environmentally effective facilities



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Safety Considerations

- The berth is in a remote location – removed from the community
- Dock Design to meet new State Lands MOTEMS requirements
- Modern security measures to be employed to address Homeland Security issues
- Location of new berth reduces transit time inside of the Port and reduces exposure to inter-harbor locations
- Tankage and pipelines will be build to meet modern standards and needs
- Pipelines will be underground except in terminals and certain short areas



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Commercial Status

- Valero Refining has signed a 30 year, 50,000 barrel per day agreement
- Discussions are underway with other refiners and trading companies
- The overall capacity (tankage and throughput) is expected to be nearly fully subscribed before construction begins
- New pipeline connections to local refineries and other Pacific Energy facilities